

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
WACO DIVISION**

In Re:	§	Chapter 7
	§	
LITTLE RIVER HEALTHCARE	§	Case No. 18-60526-rbk
HOLDINGS, LLC, et al.	§	
	§	(Jointly Administered)
Debtors.¹	§	

**APPLICATION FOR RETENTION OF ACCOUNTANT PURSUANT TO 11 U.S.C
§327(a)**

The Trustee intends to request that this Application be set for hearing on an expedited basis. Once a hearing date is set by the Court, notice will be provided.

Any objection or response to the Application should be filed and served prior to any such hearing, or according with any deadline set by the Court.

TO THE HONORABLE RONALD B. KING, CHIEF U.S. BANKRUPTCY JUDGE:

COMES NOW James Studensky, Trustee, the duly appointed and acting trustee in the above-captioned jointly administered bankruptcy cases, and files this his *Application for Retention of Accountant Pursuant to 11 U.S.C. §327(a)* (the “Application”), and in support thereof would respectfully show the Court as follows:

1. The applicant is James Studensky (the “Trustee”), Chapter 7 Trustee, in these jointly administered cases which were originally filed under Chapter 11 on July 24, 2018, and converted to a case under Chapter 7 on December 7, 2018.

2. The Trustee seeks to employ George C. DeReese, Jr., CPA, PLLC (the “Accountant”), as his certified public accountant to prepare tax returns for the Debtors and to handle any accounting issues that may arise during these cases, including but not limited to preparation of K-1s. It is in the best interest of the bankruptcy estates (collectively, the

¹ The Debtors in these chapter 7 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Compass Pointe Holdings, LLC (1142), Little River Healthcare Holdings, LLC (7956), Timberlands Healthcare, LLC (1890), King’s Daughters Pharmacy, LLC (7097), Rockdale Blackhawk, LLC (0791), Little River Healthcare - Physicians of King’s Daughters, LLC (5264), Cantera Way Ventures, LLC (7815), and Little River Healthcare Management, LLC (6688). The bankruptcy cases of Compass Pointe Holdings, LLC (Case No. 18-60525) and Little River Healthcare Physicians of Kings Daughters, LLC (Case No. 18-60531) were closed on April 11, 2019; all other Debtors’ cases remain open.

“Bankruptcy Estate”) that the Accountant be employed to advise the Trustee regarding accounting matters affecting the Bankruptcy Estate and to prepare all necessary income tax returns for the Bankruptcy Estate.

3. The Accountant represents no interest adverse to the Bankruptcy Estate. Attached hereto as **Exhibits “A” and “B”**, respectively, are the Disclosure of Compensation under 11 U.S.C. §329 and Bankruptcy Rule 2016(b) and the affidavit of George C. DeReese, Jr. that the Accountant has no interest adverse to the Bankruptcy Estate.

4. As reflected in Exhibit B, the Accountant was previously employed by the Debtors. The Trustee does not believe that the Accountants prior roles with the Debtors gives rise to any actual conflict of interest; to the contrary, the Accountant’s familiarity with the Debtors are expected to result in meaningful savings to the Bankruptcy Estate in that an accountant not already familiar with the Debtors may have to devote substantial resources to obtaining a working knowledge of the Debtors such as would enable effective representation as accountant for the Trustee.

5. The Trustee proposes to provide the Accountant with a retainer of \$10,000.00 due to the size and nature of the work that the Trustee anticipates the Accountant will be tasked with handling. This arrangement has been approved by Monroe Capital Management Advisors, LLC, as administrative agent, on behalf of itself and the other lenders, the parties claiming DIP financing liens against substantially all assets of the Bankruptcy Estate.

6. No other professionals in the same profession have been previously employed pursuant to Court order in these cases.

7. The Accountant will be compensated pursuant to the employment contract as **Exhibit “C”**. The hourly rates charged are as follows: certified public account George C. DeReese, Jr. is \$150.00 per hour and staff at \$75.00 per hour. The Accountant will also be entitled to reimbursement for reasonable and necessary out-of-pocket expenses. No

compensation will be paid until a fee application has been filed and approved by the Court, pursuant to 11 U.S.C. §330 and the requirements of any other applicable case law.

4. Pursuant to 11 U.S.C. §503(b), the Trustee requests permission from the Court authorizing and approving the payment of any Estate taxes that may be due as a result of any filed tax returns.

WHEREFORE, James Studensky, Chapter 7 Trustee, prays that he be authorized to retain certified public account George C. DeReese, Jr., CPA, PLLC as his accountant in the above Chapter 7 proceeding, and for such other relief as is just.

Respectfully submitted,

By: /s/ James Studensky

James Studensky, Chapter 7 Trustee

and

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By: /s/ Brian T. Cumings

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**COUNSEL FOR JAMES STUDENSKY,
CHAPTER 7 TRUSTEE**

CERTIFICATE OF SERVICE

I hereby certify that on this the 3rd day of August, 2019, I electronically filed this Application with the Clerk of Court using the CM/ECF system which will send notification of such filing to those receiving electronic service, or service was made by email as reflected below. The attached Notice of Employment is being served within two business days as reflected on the Service List appended to this Application.

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By: /s/ Brian T. Cumings
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